

THE WORKING POOR FAMILIES PROJECT

POLICY BRIEF
SUMMER 2008

Strengthening State Policies: The Process for Change

DEBORAH POVICH ¹

Increasing economic opportunities for low-income working families requires strong state policies. Most states lack policies that effectively improve the opportunities for working families to achieve economic advancement and success. When attention is drawn to the conditions and number of low-income families combined with the changing skill needs of the labor market, political leaders can become motivated to strengthen policies that help families prosper.

Increasingly the quality of American jobs is stratified with one of every five jobs paying wages too low to support a family.³ Higher wage jobs require at least some postsecondary education: 45 percent of U.S. jobs require more than a high school education, but less than a four year degree.⁴ Yet nationally almost six out of 10 low-income working parents have no post secondary credential⁵ – the very thing that can help increase earnings. What are states doing to tackle this challenge?

The **Working Poor Families Project** (WPFP) is a national initiative designed to strengthen state policies that support and facilitate the economic advancement of low-income working families. The Project is focused on state policies involving: 1) education and skills training for adults; 2) economic development; and 3) work supports and job quality.

While the executive branch of government is the most influential player in setting policy agendas, nonprofit organizations have an important role in shaping policy alternatives.⁶ Nonprofit groups can undertake actions to build awareness about the need for policy attention and develop consensus about what steps to take. The WPFP supports efforts of state nonprofit organizations to evaluate the current conditions of working low-income families, identify state-level opportunities to improve those conditions, and educate policymakers about alternatives that can bring better outcomes for those families.

This WPFP state policy brief explores the steps that lead to policy change and examines how new ideas and solutions gain attention in the policymaking process as well as the roles nonprofits can play in affecting policy change. Although there are many components of the policy change process, policy change eschews a precise prescription. No formula works all of the time in every state, nor are the steps necessarily sequential. Still, success in the policy arena is not a haphazard event.

The WPFP has developed an objective, data-driven process that focuses policymakers on the needs of low-income working families and identifies policy alternatives that can most effectively achieve desired

THE WORKING POOR FAMILIES PROJECT

Strengthening State Policies for
America's Working Poor

Millions of American breadwinners work hard to support their families. But, despite their determination and effort, many are mired in low-wage jobs that provide inadequate benefits and offer few opportunities for advancement. In fact, more than one out of four American working families now earn wages so low that they have difficulty surviving financially.²

Launched in 2002 and currently supported by the Annie E. Casey, Ford, Joyce, and Mott foundations, the Working Poor Families Project is a national initiative that works to improve these economic conditions. The project partners with state nonprofit organizations and supports their policy efforts to better prepare America's working families for a more secure economic future.

For more information:
<http://www.workingpoorfamilies.org>

improvements. The policy change process includes:

- using data to assess the challenges and opportunities facing low-income working families;
- focusing on specific policy issues where the best opportunities exist for improved outcomes;
- building and establishing issue expertise and strategic relations;
- developing and executing effective strategies to achieve change; and
- monitoring policy change to assure successful implementation.

This state policy brief describes the policy change process and illustrates how WFPF nonprofit partners have taken direct action to attract attention to important issues confronting working families and achieve policy change.

KEY STEPS THAT LEAD TO POLICY CHANGE

USE DATA TO ANALYZE THE NEEDS AND OPPORTUNITIES

To galvanize interest around a policy issue, the case for change must be made. Using objective data, researchers, nonprofit organizations, oversight and audit agencies, and government departments can identify a problem, analyze what contributes to the problem, and assess ways to remedy that problem. Nonprofit organizations gain credibility by using data analysis to develop problem and alternative statements. Data are used to quantify the size of a problem and show trends. But identifying a problem is not sufficient to bring about stronger policies.

To get traction, an issue must be compelling, impact an area of public concern and have some urgency. The WFPF is built around working families, the backbone of society and the economy. This lends legitimacy to the issues raised and attracts attention and support for policy alternatives. The economy needs workers; families rely on jobs for economic well-being.

Knowing the facts about working families can raise concern: In 2006 more than one out of four working families had earnings insufficient to meet

basic household needs.⁷ This is not a trivial subsection of the population. More than a quarter of America's working families experience economic insecurity, and these families are home to a third of all American children.⁸ Unless policies change, the future for America's working families will remain bleak.

When the **North Carolina Budget and Tax Center**, a project of the NC Justice Center, joined the WFPF their analysis showed a state that had undergone an incomplete economic transformation. Their State Policy Assessment Report combined data analysis and a compelling narrative to articulate a problem and make the case for policy change. The report acknowledged that North Carolina has made considerable progress in recent decades. "An overwhelmingly rural state dependent upon agriculture and low-wage manufacturing, gripped by poverty and burdened by segregation, has emerged as one of America's most metropolitan, economically competitive and fastest growing places."⁹ But its prosperity was at risk.

"[A] vital segment of that workforce – low-income working families – is ill-equipped to thrive in the modern economy. One-third of the state's working families – some 313,596 families scattered from Murphy to Manteo – are paid too little to support themselves. Moreover, the number and proportion of low-income working families have risen steadily since 2000."¹⁰

Why are so many working families struggling to get by? The use of data and analysis of conditions in North Carolina brings the problem into focus:

"Educational deficiencies and a lack of crucial skills prevent many low-income working families from thriving in a world where education and knowledge are prerequisites for success. One third of low-income working families in North Carolina contain at least one parent who lacks a high school diploma or General Educational Development (GED) credential. Such low levels of educational attainment limit the prospects of individual families and the entire state."¹¹

A challenge and an opportunity have been identified. To address the challenges faced by low-income working families, North Carolina, like many other states, needs to increase the educational opportunities for working adults.

FOCUS ON SPECIFIC POLICY ISSUES

Knowing the problem is just the beginning of identifying how to change that problem. Since state policies cover many issues, including job quality and skills development, selecting the top policy areas to focus on is part of WFPF's change process. One way to identify a focus is to ask: What barriers stand in the way of adults accessing and completing education programs that provide the credentials needed for good jobs?

The **Michigan League for Human Services** looked at how a state, with high unemployment and an under-skilled workforce, could better serve the low-income adult population. In an analysis of the education system, the League found leaks in their educational pipeline. When tracked over time, a full 82 percent of Michigan's 9th grade students never complete college.¹² While attention was being paid and progress made in the K-12 system, the League found:

“[S]ignificant attention needs to be paid to those who have dropped out and are now unemployed or working in dead-end, low-wage jobs. Workers without a high school diploma are most likely to experience long-term unemployment or to work in low-wage jobs without opportunities for advancement.”¹³

Highlighting the fact that skills need to be upgraded to allow adults to access family-supporting jobs, the League focused on the system that provides foundational skills: the adult learning system. A high school diploma or GED is not sufficient to provide the vocational skills needed for the modern-day labor market. In a policy brief the League noted that “[a] successful adult education system will not only enable a significant number of dropouts to complete their GED, but will prepare them for postsecondary skill-building opportunities as well.”¹⁴

Including an effective adult learning system, with bridge programs and career pathways that take students from adult education through postsecondary credentials, is a key policy solution. The League found several opportunities to draw attention to this issue and build support from stakeholders for policies that focus on low-skilled adults.

BUILD AND ESTABLISH ISSUE EXPERTISE AND STRATEGIC RELATIONSHIPS

Problems can be solved in many ways. Public systems are complex; those complexities need to be understood to identify leverage points. Nonprofits add value to the policy change process by becoming issue experts. The policy recommendations that emerge from issue expertise are more likely to be adopted when strategic relationships are developed.

To understand and advance policy alternatives that benefit low-income working families, WFPF state partners develop expertise in areas such as adult literacy, postsecondary education, financial aid policies, economic development investments and family leave. To develop that expertise and gain credibility, Project partners conduct research to better understand a program's strengths and barriers, write policy reports and briefs to outline alternatives, and garner appointments to policymaking boards and commissions to advance policy changes.

Developing proficiency in an area requires deeper study at the state and local level. In New York, the **Schuyler Center for Analysis and Advocacy** (SCAA), in partnership with the **Center for an Urban Future**, researched the participation of low-income working adults in higher education. This research resulted in a study with findings that surprised New York policymakers and gained wide public attention. Although the state's economy relies on an educated workforce, the study found that “[a]dult enrollment in higher education has fallen sharply over the past decade. New York State has one of the nation's lowest rates of adult college attendance: fewer than 4 percent of all adults, with high school diplomas, ranking New York 43rd in the nation.”¹⁵ Further investigation also found the cost of community college in New York to be 50 percent higher than the national average, yet the state's

financial aid policies discriminated against working adults.

SCAA developed an economic case for expanding adult access to higher education, arguing that strengthening lifelong learning in New York could relieve an impending shortage of skilled workers: “New York’s pool of college-eligible adults is roughly the size of the last 12 classes of graduating high school students. Approximately 1.8 million adults (ages 25-49) have a high school diploma and no college experience...”¹⁶ Clearly, New York needed to modernize state education policies to create skilled workers prepared for New York’s labor market.

SCAA’s research propelled it up the learning curve on crucial issues of higher education and lifelong learning, to the point of being able to develop policy alternatives that improve adult participation in higher education. This in-depth research became the foundation for building a movement for change.

Research often needs to be made accessible in small pieces. The WFPF Colorado partner, **The Bell Policy Center**, uses short but fact-filled Opportunity Notes to educate the public and policymakers about the impact of proposed legislation. These two-page Opportunity Notes contain documented research and analysis to determine whether proposed legislation would increase or decrease Coloradans’ opportunities to achieve the American Dream. The Opportunity Notes summarize select bills, provide background on the issue, present research/evidence of effectiveness, and estimate the impact and benefits of the proposal. Keeping objective analysis at the forefront of policy decisions provides an important tool for assessing policy alternatives.

Research often needs to be made accessible in small pieces in order to reach policymakers.

Policy alternatives can be advanced by developing effective relationships between issue professionals and policymakers. Being in the right place at the right time can help move a policy alternative. WFPF partners work with state agencies and

other stakeholders who are engaged in education and skills development. These relationships build bridges between those working within and outside government. These relationships can help nonprofits increase their understanding of the challenges and opportunities of a particular system.

Despite being a wealthy state, Maryland’s investment in adult education lagged behind that of other states. After joining the WFPF the **Job Opportunities Task Force (JOTF)** began working to strengthen that system. JOTF was appointed to a statewide committee on adult education that promoted additional investments and stronger outcome measurements. Over three years, JOTF worked with stakeholders both in and outside of government to obtain more than a doubling of state funds for the system. Still, the demand for services greatly exceeded availability and program outcomes were largely unknown. In 2008 the state took action to restructure the Adult Education program, acknowledging the need to better align adult education with the workforce system and accepting the idea JOTF had advanced: better outcome measures are needed to assess program performance. JOTF now serves on the Governor’s transition council that will create a stronger link between adult education and employment and postsecondary educational outcomes.

In Wisconsin, the WFPF Partner has become a key partner in the Joyce Foundation-funded **Shifting Gears** initiative which supports executive branch efforts to better align the technical college, adult education and workforce development systems to serve working adults. The **Center on Wisconsin Strategy (COWS)** provides research and policy analysis to assist the state in the creation of a career pathways system that offers accessible training and advancement opportunities, including more and better bridge programs that streamline the transition of adult learners from basic skills to postsecondary credentials and family-supporting occupations. Through work on the state’s Regional Industry and Skills Education initiative, the Governor’s Council on Workforce Investment, and Wisconsin’s NGA Sector Academy team, COWS is helping to shape a public workforce system that more effectively guides low-income working adults to higher skills and better jobs.

DEVELOP AND EXECUTE EFFECTIVE STRATEGIES

Multiple strategies can be used to build momentum for policy change. Effective actions include: hosting conferences and developing coalitions to educate and engage stakeholders and policymakers, developing pilot programs to demonstrate the efficacy of a proposal, working from the inside to advance a small but important change, and sustaining policy change efforts over time. Most often multiple strategies are needed for success. WFPF state partners have used these and other strategies to strengthen state workforce policies for low skilled adults.

Ohio's **Community Research Partners (CRP)** hosted a well-attended state conference on workforce and economic development during a gubernatorial election to draw attention to the challenges facing Ohio's low-skill adult workers. The candidates attended and spoke at the conference. As a result of the conference, CRP was able to build a strong working relationship with the new administration and offer its research and expertise to shape policy decisions. CRP participated in the administration's task force that established the state's key principles for workforce development and, through its research on aligning workforce development and economic development, CRP was asked by the administration to facilitate the initial process for a regional, industry-sector workforce program. In addition, CRP prepared research for the administration on best practices for attracting low-skill adults into postsecondary education and training. CRP's research and recommendations influenced the administration's design and framework for a new adult education program that delivers pre-college academics and technical skills in a series of certificates.

Engaging important stakeholders is often needed to develop the momentum for change. Traditional stakeholder engagement includes creating coalitions that work to develop recommendations of common interest. Sometimes having just a few strategic partners is sufficient to advance a policy alternative. The WFPF partner, Arkansas' **Southern Good Faith Fund**, joined with the state association of community colleges and the governor's office to

develop and gain support for the creation of a career pathways initiative that serves low-skill adults from increasing literacy through the garnering of post-secondary industry-recognized credentials. Working with a credible industry stakeholder and the executive branch added weight to the call for systems change and increased investments which exceeded \$40 million over four years.

Small steps can lead to full system changes. Momentum was building within Washington State for guaranteed access to K-14 education. WFPF's state partners, the **Seattle Jobs Initiative** and **Statewide Poverty Action Network**, supported efforts to increase access to postsecondary education for low-income adults. Since the cost of providing two years of postsecondary education for all residents was prohibitive, the solution was to phase this policy in, beginning with a smaller "pilot program" called Opportunity Grants. The scholarships provided tuition and support services to low-income adults at select community colleges. The program grew quickly with the state increasing the investment to \$20 million in 2007. Testing the efficacy of a program, or starting with a portion of the target population, can build support for a particular policy.

Achieving policy changes
sometimes requires years of
education and a sustained effort.

While many policy changes are achieved because of broad, public actions, important alternatives can be adopted by working within the system. The **Mississippi Economic Policy Center (MEPC)** called for increased transparency in the state's economic development investments in their State Policy Assessment Report, titled *Increasing the Return: Investing in Mississippi's Working Families*. When a proposal came before the legislature to create a new state tax credit for business development, MEPC worked with the legislature to build accountability into the program design. Their suggestion to track and publicly report the number and quality of jobs created was adopted.

As anyone who has worked in the policy arena knows, achieving policy changes sometimes re-

quires years of education and a sustained effort. The **Maine Center for Economic Policy** saw the need to revise the state's Unemployment Insurance system to create a fund for skills training for low-income workers who lost their jobs. Three years of quiet but constant education finally saw success with the creation of the \$1.5 million Competitiveness Skills Scholarship Program available to unemployed people earning below 200 percent of the poverty level. The Scholarship can be used to obtain a degree or certificate in a training program for high-wage jobs in growth industries that need skilled workers. The creation of a targeted training program became a reality only after building support from several sectors, including the business community.

MONITOR CHANGE TO ASSURE SUCCESSFUL IMPLEMENTATION

Vigilance and follow-through are needed to assure that the policy change is implemented effectively. Because of their independence, nonprofits can serve as watchdogs, promoting the use of goals and outcome measures to determine whether the desired change is achieved.

While Massachusetts has some sophisticated education and training programs in high demand occupations, many low skilled adults still lack access to college. One reason was the absence of a flexible financial aid program for working adults. The WFPF partner, **The Crittenton Women's Union**, knew that many of their clients who worked full-time to support their families were unable to enter college because of a lack of financial aid for part-time students. The legislature responded to this need in 2006 by creating the Educational Rewards Program with \$1.5 million in state funds. However, implementation of the scholarship program was riddled with obstacles.

The first challenge arose because the responsibility for developing the implementing regulations was given to two state agencies that were unaccustomed to working together. After months of inaction, one agency was designated the lead for program implementation. This helped, but didn't solve a key problem: no outreach about the program had been

done and as a result applications were exceedingly low. The Crittenton Women's Union stepped in to conduct the outreach, but these delays put implementation so far behind schedule that no new funds were allocated in the second fiscal year. After two years of work clarifying responsibility, streamlining the application process, and conducting the outreach and education needed to attract applicants, the Educational Rewards Program is now up and running. Without continual monitoring by a nonprofit group, the scholarship program would have been short-lived.

CROSS-CUTTING APPROACHES THAT INCREASE EFFECTIVENESS

In using the five policy change steps described above, WFPF nonprofit partners use tested communication strategies that are important for their success. Whether creating a State Assessment Report or an in-depth policy brief, state partners seek to frame their research, analysis and recommendations from a values perspective and to make sure that their findings and policy proposals are broadly communicated to the media and key stakeholders.

FRAME THE CASE FOR CHANGE

Too often, the people who suffer from inadequate public policies are seen as "them," someone other than ourselves and our neighbors. When challenges are framed from a values perspective, concern can be shared by a broader population. As part of the ongoing support offered by the WFPF program team, communications experts provide training on issue framing and message development to state partners.

Communications experts know that effective messaging entails reducing barriers between the subject of the State Assessment Report, working low-income families, and the reader. Neither sympathy nor charity will compel broad policy change. Concern needs to be expressed in the context of what society values. For example, making a case for shared prosperity, rather than prosperity for a few, provides a foundation for explaining how better jobs with higher wages and benefits can be advanta-

geous to all and society in general; we all benefit when all working families contribute to the productivity of the community, as well as share the costs of supporting the community. This also allows the analysis to focus on how public policies and systems can be strengthened to better achieve these values and related outcomes.

Recent work by WFPF partners in Washington, D.C. illustrates this point. Despite the fact that Washington D.C. has experienced a significant economic turn around and nine years of solid economic growth, that growth failed to better the lives of low-income residents. More than one in three working families are low-income, earning too little to make ends meet. In their State Policy Assessment Report, **DC Appleseed** and the **DC Fiscal Policy Institute** found:

“Not only are many District working families struggling in the midst of the District’s new prosperity, but they are also doing worse than their counterparts in other jurisdictions. In fact, a higher proportion of working families in the District is poor compared to the proportion of working families in neighboring states or in the nation as a whole....

“[A]t a moment when enormous job growth is occurring in the District, employment rates for less educated District residents are actually falling. This means the District’s recent economic boom has been fueled in large part by bringing in workers who have been trained and educated elsewhere to fill our growing jobs.”¹⁷

The WFPF partners called for policymakers to focus on policies that increase shared prosperity and benefit local residents, insuring that all District residents benefit from economic growth and that no working families are left behind. This provided the foundation for calling on District policymakers to “strengthen DC families, improve health and educational outcomes for children, and improve the District’s overall prosperity.”¹⁸

The WFPF messaging team has included Doug Gould and Company, The Hatcher Group and The Communications Consortium Media Center. The

Project managers work with state partners to help them frame the challenges in a compelling manner. State partners identify a theme that resonates with their state’s economic conditions and values.

USE THE MEDIA AS A MEGAPHONE

Because the media regularly communicate with policymakers, they are an effective tool for amplifying a message. Policy issues and alternatives benefit from broad visibility. While the media seldom create an issue, they can structure discussion around and draw attention to one, helping to place the issue and alternatives on the policy agenda.

To assure that State Policy Assessment Reports don’t just sit on a shelf, the WFPF asks state partners to create a communications plan for dissemination of the report. While a well-crafted report often gets coverage in a daily paper, adopting policy alternatives takes more than one day’s media coverage. **Alabama Arise Citizens’ Policy Project** set ambitious communications’ goals when disseminating their State Policy Assessment Report:

- Increase awareness among civic, business and opinion leaders and the general public about the challenges facing Alabama’s low-income working families.
- Underscore the connections between those challenges and state policies.
- Build support for a broader economic development vision that ensures opportunities for advancement across the entire workforce.
- Focus discussion and action on policy recommendations in the report.¹⁹

To achieve these goals Arise made an upfront investment in media coverage by conducting a statewide editorial board tour before the release of their report, *Bridging the Gap*. It paid off: they got tremendous coverage. As part of the pre-release coverage, six newspapers ran an opinion piece highlighting the report’s findings. After the report’s release, dozens of newspapers and radio stations covered the report and its message. More importantly the 30 policy recommendations generated interest in 15 legislative proposals.

CONCLUSION

Issues and constituencies compete for state policy attention and state investments. Without intentional and consistent efforts to strengthen state policies, conditions for low-income working families will not improve. Advancing policy alternatives is a multi-staged process. The WFPF has developed steps that effectively build a case for change, identify specific policy issues and solutions, and work to achieve policy change. Using adroit messaging and the media helps at each stage of these efforts.

Even when policy change is adopted, implementation must be monitored. Setting benchmarks and goals, and developing outcome measures to determine the impact of policy alternatives, can provide the information needed to make further adjustments. Nonprofit organizations are in an excellent position to focus attention on low-income working families and advance the policy ideas that can enhance the opportunity for economic success and security.

WORKING POOR FAMILIES PROJECT STEPS FOR POLICY CHANGE:

- 1) Use data to analyze the needs and opportunities
- 2) Focus on specific policy issues
- 3) Build and establish issue expertise and strategic relationships
- 4) Develop and execute effective strategies
- 5) Monitor change to assure successful implementation

ENDNOTES

- ¹ The author is an independent consultant based in Virginia. Thanks to Tom Hilliard, John Quintero and Brandon Roberts for their comments and contributions to this policy brief.
- ² Tom Waldron, Brandon Roberts and Andrew Reamer. *Working Hard, Falling Short*, Working Poor Families Project, October 2004, p. ii.
- ³ WFPF from American Community Survey, U. S. Census Bureau, 2006, analyzed by Population Reference Bureau.
- ⁴ Holzer and Lerman, *America's Forgotten Middle-Skill Jobs: Education and Training Requirements in the Next Decade and Beyond*. The Workforce Alliance, Washington, D.C. 2007.
- ⁵ Ibid.
- ⁶ Kingdon, John W., *Agendas, Alternatives and Public Policies*, Harper Collins College Publishers, second edition, 1995.
- ⁷ WFPF from American Community Survey, U. S. Census Bureau, 2006, analyzed by Population Reference Bureau.
- ⁸ Ibid.
- ⁹ John Quintero, *North Carolina's Unfinished Transformation, Connecting Working Families to the State's Newfound Prosperity*. North Carolina Budget and Tax Center, Winter 2005.
- ¹⁰ Ibid.
- ¹¹ Ibid.
- ¹² National Center for Public Policy and Higher Education, *The Educational Pipeline: Big Investment, Big Returns*, April 2004.
- ¹³ Michigan League for Human Services, *Fixing the Leaky Pipeline: Why Adult Education and Skills Training Matters for Michigan's Future*, July 2007.
- ¹⁴ Ibid.
- ¹⁵ Ibid.
- ¹⁶ Schuyler Center for Analysis and Advocacy and the Center for an Urban Future, *Working to Learn, Learning to Work*, August 2007.
- ¹⁷ DC Appleseed and DC Fiscal Policy Institute, *Homegrown Prosperity: Increasing Opportunities for DC's Low-Income Working Families*. January 2008.
- ¹⁸ Ibid.
- ¹⁹ Alabama Arise's communication with the Working Poor Families Project.

For questions about this policy brief or the
Working Poor Families Project contact:
Brandon Roberts
robert3@starpower.net
(301) 657-1480